

Montana Teachers' Retirement System (TRS)



Members' Retirement Application Packet Tutorial

All requested information on the forms in this packet must be provided in full and typed or printed legibly (in dark ink).

- ❑ If a section or blank is “Not Applicable” please enter “N/A.”
- ❑ If any of the forms in this packet are not properly completed, the entire packet will be held until all the required forms and information are provided. This could delay receipt of your benefits.
- ❑ Please read and follow the applicable instructions for each respective section to ensure forms are completed correctly.
- ❑ If you need assistance completing any of the forms in this retirement packet, please feel free to contact the TRS office.
- ❑ Return all completed forms of the ‘Application for Retirement Allowance’ to TRS at least 30 days before your termination date.

SECTION I

MEMBER INFORMATION

Complete this section, providing up-to-date personal information. TRS will update your records, if applicable.

TYPE OR PRINT LEGIBLY IN DARK INK. COMPLETE ALL SECTIONS, MARK N/A IF 'NOT APPLICABLE' AND RETURN ALL PAGES TO THE TRS.

SECTION I – MEMBER INFORMATION

First	Jane	Middle	Doe	Last	Smith	Suffix
Printed Name						
Jones		406-444-3234		9 9 9 - 9 9 - 9 9 9 9		
Maiden Name		Area Code and Telephone Number		Social Security Number		
123 Anywhere Street Helena MT 59602-0001						
Mailing Address—Including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)						

Future changes to your home mailing address must be submitted to TRS, in writing, prior to the 15th of the month in which you wish the changes to be implemented. Always keep your home mailing address current with TRS so that you will receive important information and individual tax forms annually. Contact TRS for the necessary forms, or visit our web site at www.trs.mt.gov.

SECTION II

PURCHASE OR FORFEITURE OF SERVICE

If you are eligible to purchase additional years of service with TRS and have been provided the cost to do so, payment must be completed by the 15th of the month in which you retire. If payment is not completed, service will be credited to your account based on the payments received, and your monthly benefit will be adjusted retroactive to your retirement effective date.

If you are in the process or plan to purchase service, indicate your intention to complete the purchase of service prior to retirement. Please provide the type of service you are purchasing and initial to indicate your intentions.

If you have been provided with the cost, but would prefer not to purchase service, please provide the type of service you are forfeiting and initial to indicate your intentions.

In Jane Smith's case, she is not eligible to purchase service. This section has been marked as 'Not Applicable' (N/A).

SECTION II – PURCHASE OR FORFEITURE OF SERVICE

If you are eligible to purchase additional years of service with the Teachers' Retirement System (TRS), payment must be completed by the 15th of the month in which you retire. If payment is not completed by this date, service will be credited to your account based on the payments received and your monthly benefit will be adjusted retroactive to your retirement effective date.

If you are in the process or plan to purchase service, please indicate the type(s) of service you intend to purchase prior to retirement and initial the appropriate space below. Contact the TRS for the final payment amount due.

If you have been provided with the cost, but would prefer not to purchase service, indicate the type(s) of service you are forfeiting and initial the appropriate space below.

Service type(s): N/A
(Initial One) I intend to purchase service credit I intend to forfeit the purchase of service credit

SECTION III

MID YEAR RETIREMENT

If your termination date is prior to the completion of your contract, or if you are terminating your employment during the fiscal year, complete this section. Contact your payroll office to obtain the appropriate information.

In this example, Jane Smith will terminate employment at the end of the fiscal year. Therefore, this section has been marked as N/A.

SECTION III- MID YEAR RETIREMENT

If your termination date is prior to the completion of the current fiscal year, you must provide the following information.

FULL-TIME EMPLOYEES:	Number of days worked:	_____
HOURLY EMPLOYEES:	Hourly rate of pay:	_____
SUBSTITUTE TEACHERS:	Daily rate of pay:	_____

-N/A-

SECTION IV

TERMINATION PAY OPTIONS

If you are eligible to receive termination pay from your employer (a lump-sum payment as a result of terminating your employment for retirement), provide the estimated dollar amount and initial Option 1, 2, or 3. A full description of the termination pay options is available on the TRS web site in the 'Retirement Termination Pay' tutorial.

In this example, Jane Smith has termination pay in the amount of \$5,000.00 and is electing to use the termination pay under Option 1, to increase her monthly benefit.

SECTION IV - TERMINATION PAY OPTIONS

If you are eligible to receive termination pay from your employer (a lump-sum payment as a result of terminating your employment for retirement) provide the estimated dollar amount and initial Option 1, 2, or 3. For an explanation of each option, refer to the Member's Retirement Plan Handbook. For further clarification regarding termination pay options, please contact the TRS at 406-444-3324 or 406-444-4113.

If you and your employer signed the 'Termination Pay – Irrevocable Election Form' (TPIEF) 90 calendar days prior to your last scheduled pupil-instruction day, pupil-instruction-related day, or termination date, whichever is later, indicate the termination pay option you elected. This information will be used in the initial calculation of your monthly benefit.

If you have not signed a TPIEF, you are still eligible to elect Option 1 or 2 and use your termination pay in the calculation of your Average Final Compensation. The termination pay will be considered taxable income, with the net amount being made payable directly to you. You must remit a personal payment representing the employee contribution due the TRS.

Estimated Retirement Termination Pay: \$ 5,000.00 I hereby elect: Option 1 ☒ Option 2 ☐ Option 3 ☐

☒ I have signed the 'Termination Pay – Irrevocable Election Form', at least 90 calendar days prior to my last pupil instruction day, pupil-instruction-related day, or termination date, allowing my contribution due on termination pay to be remitted as tax-deferred.

☐ I have **not** signed the 'Termination Pay – Irrevocable Election Form'.

SECTION V

RETIREMENT BENEFIT ALLOWANCE

You may elect only one benefit allowance. To indicate your election, print and sign your name in the applicable box below. Your election will affect benefits paid throughout your lifetime, and possibly the lifetime of your joint annuitant. Once you meet the definition of a retired member under §19-20-101(15), MCA, your benefit election is irrevocable. In the case of death, please contact TRS immediately.

In this example, Jane Smith is electing Option A for payment of her monthly retirement benefit, by printing and signing her name in the appropriate box. Under this option, her husband John will receive the same benefit upon her death, for his lifetime. In the event he precedes her in death, her benefit will return to the Normal Form.

NORMAL FORM: (Life Only Annuity): Benefits will be paid for your lifetime. Upon your death, if you have not received benefits equal to your account balance when you retired, any remainder will be refunded to your designated beneficiary in a lump sum payment.

Printed Name _____

Signature _____

10 YEAR CERTAIN AND LIFE: Paid for 10 years or your lifetime, whichever is greater. To elect the 10 Year Certain and Life allowance, you must be age 75 or less. The 10 year time period begins on your retirement effective date. If your death occurs within the period elected, benefits will continue to be paid to your designated beneficiary for the remainder of the time period elected.

Printed Name _____

Signature _____

20 YEAR CERTAIN AND LIFE: Paid for 20 years or your lifetime, whichever is greater. To elect the 20 Year Certain and Life allowance, you must be age 65 or less. The 20 year time period begins on your retirement effective date. If your death occurs within the period elected, benefits will continue to be paid to your designated beneficiary for the remainder of the time period elected.

Printed Name _____

Signature _____

OPTION A: (Joint and Full to Joint Annuitant): Upon your death, the joint annuitant, if living, will continue to receive the same monthly amount during the remainder of their lifetime.

Printed Name Jane Smith

Signature Jane Smith

OPTION B: (Joint and One-Half to Joint Annuitant): Upon your death, the joint annuitant, if living, will receive one-half (1/2) of the benefit during the remainder of their lifetime.

Printed Name _____

Signature _____

OPTION C: (Joint and Two-Thirds to Joint Annuitant): Upon your death, the joint annuitant, if living, will receive two-thirds (2/3) of the benefit during the remainder of their lifetime.

Printed Name _____

Signature _____

SECTION V

RETIREMENT BENEFIT ALLOWANCE, Cont.

If you are married, your spouse's signature requires notary verification. Your spouse must print and sign in the designated space to acknowledge that he/she understands the benefit option you have elected.

In this example, John Smith has printed and signed his name, with his signature notarized, acknowledging he understands the terms of the benefit option Jane elected.

If you are married, your spouse must print and sign his/her name in the designated space below, in the presence of a notary public, to verify that he/she has knowledge of the benefit elected and the joint annuitant/beneficiary(ies) designated by you. If you are not married (on the date you sign this application), you must so indicate.

☐ A spouse's signature is not required as I am not married as of the date of my signing this application.

Spouse's Printed Name John Smith

Spouse's Signature John Smith

Date April 27, 2011

TO BE COMPLETED BY A NOTARY PUBLIC:

Signed and sworn to before me this 27th day of April 20 11 by name of person appearing before the Notary Public.

Johnelle Sedlock

Signature of Notary Public

Johnelle Sedlock

Typed, Stamped or Printed Name of Notary

Notary Public for the State of: Montana

Residing at: Helena

My commission expires: February 28, 2013

(SEAL)

SECTION VI

BENEFICIARY/JOINT ANNUITANT DESIGNATION

If you elect the Normal Form or either 10- or 20-Year Certain & Life Benefit on page 2, you may designate more than one primary and/or contingent beneficiary.

If you elect Option A, B, or C, only one individual may be designated as your joint annuitant. If the joint annuitant at the time of your retirement precedes you in death and you elected Option A, B, or C, the retirement allowance will return to the full Normal Form amount and will include any increases that have been granted.

In this example, Jane Smith elected benefit allowance Option A, naming her husband, John Smith, as the joint annuitant. If she elected the Normal Form or Either 10- or 20-Year Certain & Life, she would have had the option to name multiple beneficiaries, and would have completed the first portion of this section.

Complete this section only if you elected the Normal Form or either 10 or 20 Year Certain & Life allowance.

PRIMARY BENEFICIARY		1ST CONTINGENT BENEFICIARY		2ND CONTINGENT BENEFICIARY	
Designated Beneficiary's Name		Designated Beneficiary's Name		Designated Beneficiary's Name	
Social Security Number	M/F	Social Security Number	M/F	Social Security Number	M/F
Relationship to Member	Date of Birth	Relationship to Member	Date of Birth	Relationship to Member	Date of Birth

Options A, B, or C

If it elected Option A, B, OR C on the previous page, you must identify one individual as your joint annuitant. Your designation of a joint annuitant is **IRREVOCABLE**, except in very limited circumstances as described in the 'Important Note' below.

Complete this section only if you elected Option A, B, or C.

Joint Annuitant's Name	Joint Annuitant's Social Security Number	Joint Annuitant's Date of Birth	Relationship To Member
John Smith	888-88-8888	07/26/1949	Spouse

Important Note: You should notify TRS immediately upon the death of or divorce from your joint annuitant in order to determine and safeguard your rights to modify your benefit election and/or designate a new joint annuitant. In the case of the death of or divorce from your joint annuitant, you **may** be eligible to change your benefit election and/or identify a new joint annuitant. You **must** file an application to do so with TRS **within 18 months** of the date of the death of or divorce from your joint annuitant.

SECTION VII

CERTIFICATION OF FORMS SUBMITTED

The items listed must be submitted to TRS to complete the retirement application process. Please initial beside each item you are submitting to TRS to confirm the appropriate retirement paperwork has been provided.

In this example, Jane Smith has initialed that all forms are complete and that she has included the additional documents needed to complete her retirement application packet.

JS	Application for Retirement Allowance
JS	W-4P Withholding Certificate for Pension or Annuity Payments
JS	Montana State Withholding Certificate
JS	Application for Electronic Deposit
JS	Photocopy of your birth certificate
JS	Photocopy of your beneficiary's birth certificate, if you elected Option A, B, or C
JS	Photocopy of your current fiscal year contract(s)/additional duty contract(s)/summer contract(s)
JS	Photocopy of your letter(s) of resignation, as submitted to your employer(s)
	FORWARD TO EMPLOYER: Pre-Arranged Re-Employment Certification form (Return this form to the TRS with application packet) Authorization for Deduction of Health Insurance form, Retirement Termination Pay form (See Section I instructions)

SECTION VIII

ELIGIBILITY TO RECEIVE RETIREMENT BENEFITS

You are eligible to retire the first of the month following your termination date. You must have terminated all employment covered under TRS, including summer employment and employment in a leave-without-pay status, before you are eligible to receive retirement benefits.

In this section, Jane Smith confirms her intention to terminate her employment on June 30, 2011. She has signed and dated the form and had her signature notarized.

MEMBER CERTIFICATION

By my signature below, I Jane Smith certify under penalty of perjury that:
Member's Printed Name

I have or am terminating all TRS-related employment, and that my last date of employment in any TRS-related position was or will be 06/30/2011 (termination date).
Month/Day/Year

☐ (If marked) I terminated all TRS-related employment but deferred applying for monthly benefits, so I am now applying for retirement benefits retroactive to (date): _____ (a date not earlier than the first of the month following your termination date).
Month/Year

I have read and understand all information contained in this "Application for Retirement Allowance" and have had an opportunity to ask any questions I may have of TRS. I understand the implications of the elections and designations I have made in completing this "Application for Retirement Allowance" and I have made those elections and designations of my own accord.

The information I have provided in completing this "Application for Retirement Allowance," including information contained in other documents required to be submitted to TRS in this application process, is true, complete, and accurate.

Your signature requires notary verification.

Member's Printed Name Jane Smith

Member's Signature Jane Smith

Date April 27, 2011

TO BE COMPLETED BY A NOTARY PUBLIC

Signed and sworn to before me this 27th day of April, 2011, by name of person appearing before the Notary Public.

Johnelle Sedlock

Signature of Notary Public

Johnelle Sedlock

Typed, Stamped or Printed Name of Notary

Notary Public for the State of: Montana

Residing at: Helena

My commission expires: February 28, 2013

(SEAL)

ADDITIONAL BENEFIT INFORMATION

The initial benefit you receive will be an estimated amount pending receipt of final salary and termination pay information from your employer. When the final information is received, a comparison will be made between the salary, service credit, and termination pay used in the initial calculation of benefits and the amounts actually reported. Should there be a discrepancy, your benefit will be adjusted retroactive to your effective retirement date. The final audit of your account could take up to six months following your effective retirement date.

Retirement benefits are payable on the last business day of each month. However, these benefits are mailed, or electronically deposited, on the last business day of that month.

FEDERAL AND MONTANA STATE TAX WITHHOLDING

The majority of your monthly retirement benefit will be subject to federal income tax withholding. TRS offers the withholding of federal income tax. The method that you elect for paying your federal income tax liability is strictly a personal decision. Any decisions regarding withholding must be made by you and/or your tax consultant. We strongly recommend you seek professional advice.

TRS also offers the withholding of Montana state income tax. TRS cannot withhold state income taxes on your behalf for any state other than Montana.

Montana state income tax may be withheld by submitting a Montana State Withholding Certificate. You may change your withholding option at any time by submitting a new Montana State Withholding Certificate to TRS.

FEDERAL WITHHOLDING FORM

You may choose whether or not to have federal income tax withheld from your monthly TRS benefit by submitting a Form W-4P.


You can change your federal withholding preference at any time by submitting a new Form W-4P to TRS.

In this example, Jane Smith is electing to have federal taxes withheld, using a 'Married' status with one allowance. Her allowance will remain in effect until she changes her preference.

Form W-4P		Withholding Certificate for Pension or Annuity Payments		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		▶ For Privacy Act and Paperwork Reduction Act Notice, see page 4.		2011
Type or print your first name and middle initial. Jane	Last name Smith		Your social security number 999-99-9999	
Home address (number and street or rural route) 123 Anywhere Street			Claim or identification number (if any) of your pension or annuity contract	
City or town, state, and ZIP code Helena MT 59602-0001				
Complete the following applicable lines.				
1 Check here if you do not want any federal income tax withheld from your pension or annuity. (Do not complete lines 2 or 3.)			▶ <input type="checkbox"/>	
2 Total number of allowances and marital status you are claiming for withholding from each periodic pension or annuity payment. (You may also designate an additional dollar amount on line 3.)			▶ 1	
Marital status: <input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher "Single" rate			(Enter number of allowances.)	
3 Additional amount, if any, you want withheld from each pension or annuity payment. (Note. For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.)			▶ \$	
Your signature ▶ <i>Jane Smith</i>		Date ▶ April 27, 2011		
Begin deduction as of (month/year)		July 2011	Telephone #:	406 444-3234
Form W-4P (2011)				

MONTANA STATE WITHHOLDING CERTIFICATE

In this example, Jane Smith is electing to have Montana State taxes withheld, using a 'Married' status with one allowance. In addition, she is electing to have an additional \$50.00 per month withheld. Her allowance will remain in effect until she changes her preference.

	MONTANA TEACHERS' RETIREMENT SYSTEM 1500 E. 6TH AVE PO BOX 200139 HELENA MT 59620-0139 www.trs.mt.gov 406-444-3134 1-866-600-4045	<i>TRS Office Use Only</i>
MONTANA STATE WITHHOLDING CERTIFICATE		
INSTRUCTIONS ON REVERSE SIDE PLEASE TYPE OR PRINT LEGIBLY IN DARK INK.		
BENEFIT RECIPIENT INFORMATION		
First <u>Jane</u> Middle _____ Last <u>Smith</u> Suffix _____		
Benefit Recipient's Printed Name		
<u>Jones</u>	<u>03/05/1952</u>	<u>9 9 9 - 9 9 - 9 9 9 9</u>
Maiden Name	Date of Birth	Social Security Number
<u>123 Anywhere Street Helena MT 59602-0001</u>		
Mailing Address-Including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)		
<u>406 444-3234</u>		
Area Code and Telephone Number		
As a reminder, monthly benefits are mailed or deposited on the last business day of each month.		
Check and complete only one option below:		
<input type="checkbox"/> 1. Check here if you do not want any Montana state income tax withheld from your monthly benefit. (Do not complete line 2 below.)		
<input checked="" type="checkbox"/> 2. Check here and complete all applicable elections, if you want the Montana Teachers' Retirement System (TRS) to withhold Montana state income tax according to your marital status and total number of allowances you are claiming for withholding from each monthly benefit. [You may also designate an additional dollar amount to be withheld on line (c).]		
(a) Check Marital status: <input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher "Single" rate		
(b) Enter Number of allowances: <u>1</u>		
(c) I elect an additional amount of \$ <u>\$50.00</u> withheld from each monthly pension or annuity.		
Begin Deduction as of (Month/Year): <u>July 2011</u>		
<u>Jane Smith</u>		<u>April 27, 2011</u>
Benefit Recipient's Signature		Date

APPLICATION FOR ELECTRONIC DEPOSIT

Monthly benefits are mailed on the last business day of each month. TRS offers you the convenience of electronically depositing your monthly benefit. If you opt for this, your benefit will be electronically deposited into your bank account and posted on the last business day of each month.

To implement a change in electronic deposit, a new form must be completed, or adequate written documentation must be submitted to TRS to affect a change. A new 'Application For Electronic Deposit' form can be obtained by visiting the TRS website.

The following example indicates Jane Smith elects to use the electronic method for receipt of her monthly retirement benefit.



**MONTANA
TEACHERS' RETIREMENT SYSTEM**

1500 E. 6TH AVE
PO BOX 200139
HELENA MT 59620-0139
www.trs.mt.gov
406-444-3134
1-866-600-4045

TRS Office Use Only

APPLICATION FOR ELECTRONIC DEPOSIT

PLEASE TYPE OR PRINT LEGIBLY IN DARK INK.

BENEFIT RECIPIENT INFORMATION: If anyone other than the member or benefit recipient signs this form, legal documentation giving them the authority to do so must be attached to this form.

First Jane MI Last Smith XXX-XX-9999
Printed Name Social Security Number

123 Anywhere Street Helena MT 59602-0001

Mailing Address—Including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)

Mailing Address Change: ☐ Yes ☒ No 406 444-3234
Area Code and Telephone Number

AUTHORIZATION: I hereby authorize the Montana Teachers' Retirement System (TRS) to initiate electronic deposits of my monthly benefit into my account at the financial institution named below.

Jane Smith

April 22, 2011

Benefit Recipient's Signature

Date

JOINT ACCOUNT HOLDER'S INFORMATION

John Smith

406 444-3234

Joint Bank Account Holder's Name

Area Code and Telephone Number

123 Anywhere Street Helena MT 59602-0001

Joint Bank Account Holder's Mailing Address—Including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)

FINANCIAL INSTITUTION INFORMATION: (THE TRS CANNOT MAKE ELECTRONIC DEPOSITS TO BANKS OUTSIDE OF THE U.S.)
Montana Bank 406 555-5555

Financial Institution's Name

Area Code and Telephone Number

456 Somewhere Street Helena MT 59601-0001

Financial Institution's Mailing Address—Including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)

Check only one account type: ☒ Checking ☐ Savings

If you checked savings account above, you must provide:

Financial Institution's Transit Routing Number—9-Digit #

Savings Account Number

**IF YOU INDICATED A CHECKING ACCOUNT
THIS FORM IS INVALID UNLESS
YOUR VOIDED PERSONAL
CHECK IS ATTACHED IN THIS SECTION
USING CLEAR TAPE ONLY.
DO NOT ATTACH A DEPOSIT TICKET.**

PRE-ARRANGED RE-EMPLOYMENT CERTIFICATION

Under federal regulations (Treas. Reg. 1.401-1(a)(2)(i)) and TRS statute (§19-20-731, MCA), if a member has not attained “normal retirement age” and is re-employed with the same employer within 30 days from the member's effective date of retirement, or if the member has not attained “normal retirement age” and has a pre-arranged agreement for re-employment with the same employer in **ANY CAPACITY**, the member is considered to have continued in the status of an active member and not to have separated from service and is, therefore, ineligible for a retirement benefit. The IRS will treat a return to work even in a part-time Public Employee Retirement System (PERS) or TRS position the same as a return to full-time employment.

“Normal Retirement Age” is defined as at least age 55 AND eligible for unreduced retirement benefit or, age 60 or greater with five or more years of creditable service. (TRS members are eligible for unreduced benefits at any age with creditable service in 25 years, but if less than age 55 then they would not be considered “Normal Retirement Age”.) For Example:

AGE	YEARS OF SERVICE	NORMAL RETIREMENT AGE	Prearranged Agreement (Part-time PERS/TRS position)	1099-R 10% Early Distribution Tax Penalty	Eligible for a TRS Retirement Benefit
52	25.0	NO	NO	NO	YES
52	25.0	NO	YES	N/A	NO
55	25.0	YES	NO	NO	YES
55	25.0	YES	YES	YES	YES*
59	10.0	NO	NO	NO	YES
59	10.0	NO	YES	N/A	NO
60	5.0	YES	NO	NO	YES
60	5.0	YES	YES	NO	YES*

PRE-ARRANGED RE-EMPLOYMENT CERTIFICATION, Cont.

If you have a pre-arranged agreement with the same employer and are eligible for a TRS retirement benefit because you have attained “normal retirement age”, then you are eligible for an unreduced TRS retirement benefit (no early retirement reduction factor will be applied), and you meet the definition of a “retired member.” A “retired member” is defined as a TRS member who has terminated all positions eligible to participate in the TRS, and who has received at least one monthly retirement benefit (see §19-20-101, MCA).

Under IRS regulations, if a member has not attained “normal retirement age”, there must be a bona fide separation from service before a retired member would be eligible to return to employment with the same employer. If there is not a bona fide separation from service, the member could be deemed ineligible for a retirement benefit, in which case, the benefit would be cancelled, or the benefit might be subject to an IRS 10% early distribution penalty tax.

If a retiring member does or does not have a pre-arranged agreement to return to work with the same employer, the IRS restrictions have no impact on the calculation of the TRS retirement benefit the member is still entitled to full benefits at any age with creditable service in 25 years or more. However, the regulations may impact a member’s eligibility to receive a benefit or the taxation of benefits if there is a pre-arranged agreement to return to work for the same employer.

PRE-ARRANGED RE-EMPLOYMENT CERTIFICATION, Cont.

If you have a pre-arranged agreement to return to work following retirement with your same employer, you must fully disclose, in writing, to TRS the details of that agreement. A pre-arranged agreement to return to work in any capacity, even service reportable to PERS, could result in voiding or suspension of the retirement benefit and/or incurring significant tax penalties.

The IRS can impose a significant tax penalty on your TRS benefits if you are under the age of 59 ½, retire, begin receiving a retirement benefit, and prior to termination you agreed to be re-employed by the employer from whom you retired. To avoid the penalty there must be a bona fide separation from service between you and your employer.

All retirees also have a duty now and in the future to disclose any employment in any capacity to TRS, in writing, within 30 days of the date of execution of an agreement for employment or the first date services are provided if no agreement is entered into. This includes employment as an independent contractor with any employer that participates in TRS, or employment through a professional employer arrangement, an employee leasing arrangement, or a temporary service contractor.



**MONTANA
TEACHERS' RETIREMENT SYSTEM**

1500 E 6TH AVE
PO BOX 200139
HELENA MT 59620-0139
www.trs.mt.gov
406-444-3134
1-866-800-4045

TRS Office Use Only

PRE-ARRANGED RE-EMPLOYMENT CERTIFICATION

TYPE OR PRINT LEGIBLY IN DARK INK.

INSTRUCTIONS ON REVERSE SIDE

MEMBER INFORMATION & CERTIFICATION

First Jane Middle _____ Last Smith Suffix _____
Printed Name

Montana Schools
Print Name of Last Employer

9 9 9 9 9 9 9 9 9 9
Social Security Number

1. I am a member of the Montana Teachers' Retirement System (TRS) and have applied for a retirement benefit.
2. Check One:
- a. ☒ I DO NOT have a pre-arranged agreement to return to work in any capacity (including a PERS covered position) after retirement with the same employer.
- or
- b. ☐ I DO have a pre-arranged agreement to return to work in some capacity (including a PERS covered position) after retirement with the same employer.

ACKNOWLEDGEMENT AND ATTESTATION: By my signature below, I acknowledge that I have read and understand all conditions for re-employment following termination and retirement as stated on the reverse of this form, and I attest that I qualify for retirement benefits with respect to each of those conditions. I further acknowledge that if I am not eligible for retirement benefits because of any re-employment with the same employer that I may be subject to the applicable requirements and limitations set forth in Title 19, Chapter 20, Part 7 of the Montana Code Annotated, including that such re-employment may result in cancellation of my TRS retirement benefits until I again terminate and retire, and/or substantial tax penalties if I am under age 59 ½. I will forward this form to my employer for completion of the 'Employer Certification' section and then return the entire completed form to the TRS.

Jane Smith

April 22, 2011

MEMBER'S SIGNATURE

DATE

EMPLOYER CERTIFICATION

ACKNOWLEDGEMENT/ATTESTATION/CERTIFICATION: As the Certifying Officer and by my signature below, I acknowledge that I have read and understand all conditions as stated on the reverse of this form; and I attest that the employer named above will comply with all applicable terms and conditions for re-employment of the retired member. I certify under penalty of perjury that I am the authorized authority to represent the employer stated above and that (check one and return completed form to the member):

- a. ☒ I have made personal inquiry and confirmed that the above-named member **DOES NOT** have a pre-arranged agreement with us, as their employer, to return to work in any capacity (including a PERS covered position) after the member's retirement.
- or
- b. ☐ I have made personal inquiry and confirmed that the above-named member **DOES** have a pre-arranged agreement with us, as their employer, to return to work in some capacity (including a PERS covered position) after the member's retirement.

123456

TRS Six-Digit Employer Number

406 444-4113

Area Code and Telephone Number

Johnelle Sedlock

Certifying Officer's Printed Name

District Clerk

Title

Johnelle Sedlock

April 22, 2011

Certifying Officer's Signature

Date

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1992,
ALTERNATIVE ACCESSIBLE FORMATS OF THIS DOCUMENT WILL BE PROVIDED UPON REQUEST.

WITHHOLDING GROUP INSURANCE PREMIUMS FROM RETIREMENT BENEFITS

If you are eligible to participate in the group insurance plan through your employer, you may elect to have TRS withhold the monthly insurance premium from your retirement benefit. TRS will remit the insurance premium to your employer. You must contact your employer to request an 'Authorization for Deduction of Health Insurance' form. This form is also available on the TRS website. Your employer will manage your health insurance coverage.

TRS has no connection with group insurance plans, but offers the withholding of monthly insurance premiums as a service to you and your former employer. All questions concerning coverage must be addressed to your former employer.



**MONTANA
TEACHERS' RETIREMENT SYSTEM**

1500 E 6TH AVE
PO BOX 200139
HELENA MT 59620-0139
www.trs.mt.gov
406-444-3134
1-866-800-4045

TRS Office Use Only

**AUTHORIZATION FOR DEDUCTION OF
HEALTH INSURANCE**

PLEASE TYPE OR PRINT LEGIBLY IN DARK INK.

BENEFIT RECIPIENT INFORMATION

First Jane Middle _____ Last Smith Suffix _____
Printed Name

123 Anywhere Street Helena MT 59602-0001

Mailing Address-Including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)

406 444-3234 03/05/1952 XXX-XX-9999
Area Code and Telephone Number Benefit Recipient's Date of Birth Social Security Number

I hereby authorize deduction of the monthly premium for the insurance coverage I have selected through the employing agency from my monthly Montana Teachers' Retirement System (TRS) retirement allowance. Such deduction is to remain in effect until the employing agency cancels or changes my insurance coverage amount. I also authorize future increases or decreases in the cost of the plan I selected to be automatically deducted without further authorization from me.

Jane Smith

April 26, 2011

Benefit Recipient's Signature

Date

EMPLOYER INFORMATION

NOTICE TO EMPLOYER: The benefit recipient and you are *required* to complete and submit this original form to the TRS. A staff member will then update the TRS payroll system allowing you, the employer, to commence withholding an insurance premium on behalf of the benefit recipient.

As the employer, you are responsible for processing all premium amount changes using the TRS On-Line Payroll Insurance Reporting system. You must provide a written notification of all changes to the benefit recipient *prior* to the effective date.

Upon notification of the benefit recipient's death, you **must** directly reimburse the TRS the gross monthly premium amount withheld.

Johnelle Sedlock

406 444-4113

Insurance Coordinator's Name

Area Code and Telephone Number

Blue Cross and Blue Shield of Montana

Insurance Carrier's Name

123456

\$ 450.00

TRS Six-Digit Employer Number

Monthly Premium Amount

TRS monthly retirement allowances are paid on the last business day of each month. The first deduction from the monthly retirement allowance is to begin in the month of August, to cover the insurance premium for the month of September.

Johnelle Sedlock

Certifying Officer's Printed Name

April 26, 2011

Johnelle Sedlock

Certifying Officer's Signature

Date

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1992,
ALTERNATIVE ACCESSIBLE FORMATS OF THIS DOCUMENT WILL BE PROVIDED UPON REQUEST.

RETIREMENT TERMINATION PAY

SECTION I – MEMBER INFORMATION

Complete the Member Information Section, providing your personal information and indicating your 'Termination Pay Option' election of choice. Indicate if you have signed the 'Termination Pay – Irrevocable Election Form' at least 90 calendar days prior to your last pupil instruction day, pupil-instruction-related day, or termination date. If the 'Termination Pay – Irrevocable Election Form' has been properly executed using Termination Pay Option 1, the contributions due on termination pay will be remitted to TRS as tax-deferred.

Forward the 'Retirement Termination Pay' form to your payroll office. The form will be held until you have formally terminated your employment and your final wages have been paid.

MEMBER INFORMATION - PLEASE TYPE OR PRINT LEGIBLY IN DARK INK AND FORWARD TO YOUR EMPLOYER.

First Jane Middle Smith Last Smith Suffix
Printed Name

406 444-3234 03/05/1952 X X X - X X - 9 9 9 9
Area Code and Telephone Number Date of Birth Social Security Number

INSTRUCTIONS: Indicate Option 1, 2, or 3 to advise the Montana Teachers' Retirement System (TRS) how you wish your termination pay to be used in the calculation of your monthly retirement benefit.

I hereby elect termination pay option: Option 1 ☒ Option 2 ☐ Option 3 ☐

☒ I have signed the 'Termination Pay – Irrevocable Election Form', at least 90 calendar days prior to my termination of employment, to allow the employee contribution due on termination pay to be remitted as tax-deferred.

☐ I have **not** signed the 'Termination Pay – Irrevocable Election Form'. I understand I must remit a personal payment representing the employee contribution due the TRS.

Jane Smith
Member's Signature

April 26, 2011
Date

RETIREMENT TERMINATION PAY

SECTION II – EMPLOYER CERTIFICATION

After your final pay has been processed your employer will complete the Employer Certification Section to confirm your 'Termination Date,' 'Termination Pay Amount,' and salary information. Your employer will also access the on-line 'Retirement Termination Pay Calculator' to complete the termination pay Option 1 calculation and attach a copy of the calculation screen print to the reverse side of this form.

EMPLOYER CERTIFICATION

06/30/2011

Employee's Termination Date

\$ 5,000.00

Employee's Termination Pay Amount

Will the employee contribution due on termination pay be remitted as tax-deferred? YES ☒ NO ☐

Please verify the following: (Do not include Termination Pay Amount)

Base Contract Amount \$ 45,000.00

Other Compensation \$ 2,000.00

Explanation: Coaching

INSTRUCTIONS: Please retain this 'Retirement Termination Pay' form in your office until the employee has terminated, all wages have been paid, and the termination pay amount has been determined. Through the Wages and Contribution Reporting (TRS On-Line) system, access the TRS 'Retirement Termination Pay Calculator'. Populate the required fields and calculate the employee and employer contribution due the TRS. Print the 'Retirement Termination Pay Calculator' screen. Attach the termination pay calculation screen print to the reverse side of this form using clear tape only. Return the 'Retirement Termination Pay' form to the TRS at least one week prior to submitting your monthly contribution report to allow processing time necessary to minimize interruptions in validating and submitting your report. For assistance, please call 406-444-3324 or 406-444-4113.

Retain a copy of this completed form and termination pay calculation screen print for your records. Remit the contributions due on termination pay by the 15th of the month following the member's termination, or interest may be assessed.

I certify that the above named member has terminated their employment and that all information reported is complete and correct. If the member has signed a Termination Pay – Irrevocable Election Form, unless otherwise required by law, the total termination pay amount payable to the member is reported; and that employee contributions will be withheld pursuant to IRC §414(h)(2) and Montana Code Annotated, §19-20-716. I also certify that the termination pay amount reported does not include deferred compensation as defined under IRC, 457(f).

Montana Schools

Employer's Printed Name

Johnelle Sedlock - District Clerk

Certifying Officer's Printed Name & Title

Johnelle Sedlock

Certifying Officer's Signature

406 444-4113

Area Code & Telephone Number

123456

TRS Six-Digit Employer Number

April 26, 2011

Date

PART-TIME EMPLOYMENT EARNINGS AFTER RETIREMENT

A “retired member” is defined as a TRS member who has terminated all positions eligible to participate in TRS, and who has received at least one monthly retirement benefit see §19-20-101, MCA). Under the statutes governing TRS, a retired member may be employed in a part-time position eligible to participate in TRS, including part-time positions with the university system, and earn, without loss of your retirement benefits, an amount not to exceed the greater of: (1) one-third ($\frac{1}{3}$) of your Average Final Compensation (AFC), plus annual increases equal to the increase in the Consumer Price Index; or (2) one-third ($\frac{1}{3}$) of the median AFC for members retired during the preceding fiscal year as determined by the TRS Board. These earnings are determined on a fiscal year basis, July 1 through June 30.

As a TRS retiree you are only limited in the amount you may earn if employed in a position that is eligible to participate in TRS or the University System’s ORP. TRS retired payroll staff will determine the maximum amount you can earn without affecting your monthly benefit. Please contact the TRS office at 406 444-3185 or 406 444-2441 to verify this information.

INDEPENDENT CONTRACTORS

An independent contractor is ineligible for membership in TRS. The TRS Board shall accept a certification from the Montana Department of Labor and Industry (DLI) as evidence of independent contractor status. The burden of proof is on the TRS employer. If the TRS retired member's status as an independent contractor is in question, they must become a member of TRS (see §19-20-302, MCA).

For more information, please contact the DLI Independent Contractor Central Unit at 406 444-9029.

Thank you for taking the time to view the 'Retirement Application Packet' tutorial. The information provided in this tutorial is for educational purposes only. It is intended to provide basic information about the services and benefits provided by the Montana Teachers' Retirement System under the laws and rules applicable as of the date of production. It is not intended to provide accurate, detailed calculations of any specific member's account or benefits.

1500 East Sixth Avenue
PO Box 200139
Helena, MT 59620-0139



1-866-600-4045 (Toll Free)
406-444-3134